



DEPARTMENT OF ADMINISTRATION  
VICTIMS OF CRIME PROGRAM  
[www.voc.nv.gov](http://www.voc.nv.gov)

May 3, 2010

To: Andrew Clinger, Clerk  
Board of Examiners

From: Bryan Nix, Coordinator  
Victims of Crime Program

Re: VOCP 3<sup>rd</sup> Quarter FY 2010 Report, and 4<sup>th</sup> Quarter FY 2010  
Recommendation

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NRS 217.260 requires the Board of Examiners to estimate available revenue and anticipated claim costs each quarter. If revenues are insufficient to pay anticipated claims, the statute directs that claim payments must be reduced proportionately.

BOE Policies for the VOCP provide for payment of "priority" claims during the quarter and for payment of accrued "non-priority" claims at the end of each quarter. Priority claims are bills for current medical treatment, lost wages, funeral expenses, counseling, etc. Non-Priority claims are bills the applicant owed prior to claim acceptance. These are mostly hospital emergency room and related bills. The program pays the "approved" amount, which is the amount approved for payment after bill review and application of fee schedules or other payment adjustments pursuant to VOCP policies.

The VOCP paid all priority and non-priority claims at 100% of their approved amount for all of FY 2009 and the first and second quarter of FY 2010. However, due to declining revenues the VOCP does not have sufficient budget authority and reserves to pay projected claim costs at 100% of the approved amount for the remainder of FY 2010.

### **Claim Payments Made Year to Date FY 2010**

The following chart shows claim payments made year to date 2010 FY, by benefit type. As this chart shows the VOCP has satisfied **\$32,938,467.02** in victim medical bills and

claims for **\$6,667,756.82** of available funding. Cost containment policies allowed for a total savings of **\$25,713,228.24** year to date in FY2010.

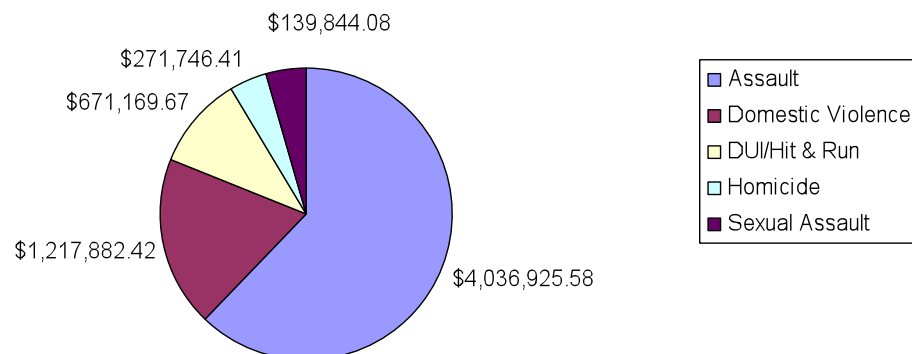
<b>Payment Amounts by Type Year To Date 2010</b>				
<b>Type of Expense</b>	<b>Number of Bills</b>	<b>Total Victim Bills Submitted</b>	<b>Amount Saved by Bill Review</b>	<b>Amount Paid to Providers</b>
Chiropractic	300	123,827.78	35,669.01	88,158.77
Counseling	2091	671,977.65	296,416.90	375,560.75
Survivor Benefits	34	53,253.20	0.00	53,253.20
Dental	374	733,827.66	192,111.85	541,715.81
Discretionary*	284	222,462.07	2,631.77	219,830.30
Funeral Expense	85	191,445.70	7,515.12	183,930.58
Lost Wages	421	363,076.26	0.00	363,076.26
Medical - Hospital	1053	16,516,790.75	14,271,010.11	2,245,780.64
Medical - Other	3087	3,821,558.33	2,014,317.62	1,807,240.71
Prescription	784	143,253.50	30,980.03	112,273.47
Physical Therapy	190	89,653.66	32,108.78	57,544.88
Vision	121	73,789.18	11,882.91	61,906.27
Pending Priority Three ** Payments 3rd Quarter 2010	746	9,933,551.28	8,818,584.14	557,485.18
<b>Total Payments YTD 2010</b>	<b>9570</b>	<b>\$32,938,467.02</b>	<b>\$25,713,228.24</b>	<b>\$6,667,756.82</b>
*Discretionary payments include: Relocations, Temporary Housing, Crime Scene Clean-up, etc.				

\*\* There are **\$9,933,551.28** in pending Priority Three Claims (hospital bills, etc), which will be paid for **\$557,485.18**, which is 50% of the approved amount of \$1,114,967.14 at the end of the 3<sup>rd</sup> quarter FY 2010 as provided for by VOCP policies.

### **Victim Payments by Crime Type Year-to-Date FY 2010**

The following pie chart shows amounts approved for payment by crime type, during the first, second and third quarter of FY 2010.

**Payments Approved By Crime Type YTD FY2010**



## Financial Review First, Second and Third Quarter FY 2010

The following chart shows projected revenues and fund balances, including reserves for the 3<sup>rd</sup> quarter of FY 2010. These projections of revenue and anticipated expenses are used for purposes of determining compliance with NRS 217.260 and policies of the BOE.

Financial Position and Fourth Quarter Projections	
Projected Funds Available for Payments FY10	\$9,415,508.66
1st Quarter Claim Payments	\$2,534,909.59
2nd Quarter Claim Payments	\$2,575,232.68
Priority 1 & 2 Claims Paid 3rd Quarter	\$1,150,073.75
Approved 3 <sup>rd</sup> Quarter Priority 3 Claims Pending Payment	\$1,114,967.14
Approved 3 <sup>rd</sup> Quarter Priority 3 Claims Recommended Payment @ 50%	\$558,059.57
Projected Funds Remaining After 3 <sup>rd</sup> Quarter Payments	\$2,597,807.46
Projected Priority 1 & 2 Payments 4th Quarter*	\$1,267,752.00
Projected Priority 3 Payments 4th Quarter	\$919,235.10
Projected Payment on Priority 3 Payments 4th Quarter (@ 50%)	\$459,617.55
Forecasted Reserves 4th Quarter (30 Days Operating Expenses)	\$870,437.91
<b>Recommended Priority 3 Payment Percentage Fourth Quarter</b>	<b>50%</b>
*Average of last 5 quarterly payments.	

The Budget Department has advised the VOCP that we need to maintain a 30 day operating expense reserve out of FY 2010 revenues to ensure we have sufficient operating capital in FY 2011. This reserve requirement has forced the program to reduce the recommended payment percentage on Priority 3 claims for the 3<sup>rd</sup> and 4<sup>th</sup> quarter of FY 2010.

Revenue projections have been reduced due to the economic downturn, while requests for program assistance continue to climb. Overall, applications to the program have increased by 11% over FY 2009. Applications for assistance on Domestic Violence claims have increased by 41%, sexual assault claims are up 37%, and physical abuse claims are up 45% over FY 2009. An 8% decrease in applications by victims of Assault has helped to mitigate some of this growth.

At this time, revenues are not meeting projections in the category of Court Assessment, and we do not have sufficient funds on hand to pay the 3<sup>rd</sup> quarter pay down. The Budget Department believes that funds are being paid into the wrong general ledger account, and is currently researching this matter. If research finds that this is not a simple accounting error we may have to reduce the percentage paid on priority 3 claims accordingly, possibly to a percentage rate as low as 40%.

### VOCP Recommendation

There are projected 4<sup>th</sup> quarter priority payments totaling **\$1,267,752.00** and 4<sup>th</sup> quarter Priority 3 payments totaling **\$919,235.10**, for a total expense of **\$2,186,987.10**.

VOCP Revenues available for 4<sup>th</sup> quarter is **\$2,597,807.46**. After reserving **\$870,437.91** for 30 days operating expenses, we project funds totaling **\$1,727,369.55** will be available to pay victims claims in the quarter.

Based on current projections, to ensure that recommended reserves of 30 days operating expenses are maintained at year end, pursuant to NRS 217.260 and policies of the BOE, the VOCP recommends paying Priority 1 & 2 bills at **100%** and Priority 3 bills at **50%** of the approved amount for the 4<sup>th</sup> quarter of FY 2010.